

STATE: MINNESOTA
Effective: July 1, 1988
TN: 88-69
Approved: 5/29/89
Supersedes: 88-27

SUPPLEMENT 8 TO
Attachment 4.19-A

OFFICIAL

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Background: MEDICARE LIMITS

1988 Session Laws amended Minnesota Statutes to clarify that MA hospital rates are not subject to the base year routine limits of Medicare on a hospital specific basis.

State Plan Effect: The implementation of this law does not result in a significant change to the methods and standards for determining payment rates for inpatient hospital services. There is no effect, as the state agency is currently paying hospitals in the manner prescribed in the amended statute. This law resulted from a federal audit which disallowed the federal share of payments in excess of the Medicare limits, because the State Plan did not specifically state that hospitals were exempt from the routine limits of Medicare on a facility specific basis.

The state agency continues to provide that the requirements of 42 CFR, Part 447, Subpart C, are met as outlined by Attachment 4.19-A. This amends State Plan Supplement 6 to Attachment 4.19-A: Minnesota Statutes, Section 256.969, as cited below.

Amended Statute: BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1987 Supplement, section 256.969, subdivision 3, is amended to read:

Subd. 3. [SPECIAL CONSIDERATIONS.] (a) In determining the rate the commissioner of human services will take into consideration whether the following circumstances exist:

(c) The computation of each hospital's payment rate and the relative values of the diagnostic categories are not subject to the routine service cost limitation imposed under the Medicare program.